

X. FEDERAL GRANT MANAGEMENT AND ACCOUNTING

The establishment of federal grants and corresponding spending authority is the responsibility of the Office of Management and Budget (OMB) through the State Single Point of Contact (SPOC), in accordance with 29 Del. C. c. 26. The SPOC coordinates the grant review process. Once a month, the Delaware State Clearinghouse Committee meets to review grants. The Committee consists of the Chairman and Vice Chairman of the Joint Finance Committee, Controller General, Director of the Office of Management and Budget, Director of the Delaware Development Office, Secretary of Finance and four members of the General Assembly.

The Clearinghouse process begins when an agency requests a State Applicant Identifier (SAI) from the SPOC. This number should be requested simultaneously to the submission of the grant application to the Federal government. A copy of the grant should be sent along with a completed and signed SPOC form to OMB. The SPOC form and instruction manual can be located on the Office of Management and Budget's website. The application is reviewed by the SPOC and fiscal and policy analyst for a recommendation, and is then scheduled for review by Clearinghouse Committee.

Upon approval of the Delaware State Clearinghouse Committee and grant award notification from the federal agency, state organizations must submit a Federal Aid Master (FM) document to OMB. The FM document contains pertinent data on the grant and subgrant, and authorizes the establishment of the appropriation for deposit of funds. The FM form and instructional manual is also located on the Office of Management and Budget's website.

Types of Grants

a. Direct Grant

Direct grants are funds received by a state organization directly from the federal government to run a specific program cataloged in the Catalog of Federal Domestic Assistance.

b. Subgrant

Subgrants are funds passed through from one state organization to another state organization at which time the subgrantee becomes responsible for complying with the rules and regulations governing the program, audit issues, etc.

c. Indirect Grant

Indirect grants are received by a state organization from a catalogued federal program for a private, non-profit, local government or higher education facility.

d. Contracts

A state organization receives funds, whose source is derived from a catalogued federal program, from another state agency to perform a service under contract or supply a deliverable.

A state organization receives funds from a federal agency to perform a service under contract, cooperative agreement or supply a deliverable.